



**CALIFORNIA VETERANS BOARD**  
**GENERAL SESSION MEETING #672**  
**October 8, 2004, 1:00 p.m.**  
**California Veterans Home, Chula Vista**  
**700 East Naples Court**  
**Chula Vista, CA 91911**



**GENERAL SESSION:**

The California Veterans Board (CVB) monthly public meeting was called to order at 9 A.M. Board members present included Chairman George Sinopoli (Fresno), Vice Chairman Leo Burke, Members Judy Gaze (San Diego), Vernon Chong (Lincoln).

**John Smith:** led the invocation.

**Bill Jackson:** led the Pledge of Allegiance.

**Dan Murray:** thank you Mr. Chairman ladies and gentlemen and fellow veterans it is always a pleasure to have you on our campus at Chula Vista. I think we're very proud that we have continued to build here and today we have a record here 355 veterans present at our campus. Vast majority here are Korean veterans the balance is Vietnam veterans or all three. Chula Vista represents all services Army, Navy the Marine Corps Coast Guard, Air Force and Merchant Marine. But it is a pleasure, thank you.

**George Sinopoli:** Dan you are an outstanding administrator doing a tremendous job on this facility and the morale is great you're a tremendous leader, thank you very much.

**George Sinopoli:** glad you are all here to enjoy the meeting and if you have a question, a session right after the meeting will be available.

**Secretary Thomas Johnson:** Thank you Mr. Chair first I would like to introduce our staff and then I will make my presentation. I have some comments for the board. Relative to our staff I'd like to introduce to everyone Undersecretary Roger Brautigan, also just arriving deputy Secretary for the homes, William Parente and I assume deputy Secretary for communication and legislation Robert Glazier is back there. And our legal counsel and also counsel for the board Joe Maguire. I am going to the podium for this. Our department has not given a lot of recognitions. When I came into the department seven months ago I looked around and I found out that we do give some recognition for staff member of the quarter and the individual accomplishments we have not been doing a whole lot and I know that the department of personnel administration does provide for certain grounds and the conditions. I had a chance to meet

Tracy about 3 or 4 months ago when I visited the regional office in San Diego. Tracy is in charge of our regional office the veteran's service center. She is the disabled veteran, she is a mother of four, she is a law student she supervises at times 8 work-study students in her office along with the staff of the regional office. She has a heart for veterans and has a heart for her work and about a month ago I was reading a story about what she had done for a veteran. A marine who received multiple gun shut wounds over 250 shrapnel wounds in his body. He came back to resume his 10 percent disability and had periodic problems through his civilian career and finally put in a nursing home in Palm Springs. The family mortgaged their home to care for this proud marine. Tracy received all the paperwork. She worked on it and she didn't just look at the documents on the surface she went underneath and really did the job. She went beyond the call of duty as a result this marine receives 100 percent disability; this family no longer has to mortgage their home. He received back pay of \$577,000 plus full nursing home care for the balance of his life. This is the largest settlement that has been ever given to any veteran in this area, which is the largest concentration of veterans in this country. So we thought Tracy deserves special recognition so I would like to present to her this superior accomplishment award presented to Tracy Greenimiere Veterans Claims Representative III for superior level significantly exceeding job requirements, signed by myself and Jack Kirwan our chief of Veterans Services. This also comes with a cash award; we deposited in her account a cash award of \$500. For this superior accomplishment and I think we all owe Tracy a round of applause.

**Tracy Greenimiere:** Definitely speechless. Actually I love my job and I am very fortunate to do this for the last nine years of my life. I was in the military eleven years so this type of work that I do really touches my heart. There are so many veterans like Mr. Warfield so I want to continue to help in any way that I can and it is a wonderful pleasure to have this great job. Thank you.

**George Sinopoli:** Thank you serving veterans. Veterans understand veterans. Thank you very much.

**Secretary Thomas Johnson:** Yes I want to you give you a couple of updates. We the Secretaries have not been very participative in the national state directors organization. I recently returned from the national organization of state directors. Getting to know other state directors. Getting to know some of the things they are doing. They have the leading edge ideas. I gained a tremendous amount, for instance from New York. I am learning how they have veterans who are on Medicaid, a benefit, which saves the state money and also provides better benefits for the veterans. From Wisconsin we have learned some of their techniques to get information to more veterans about services for benefits that they are eligible for and deserve. From Oregon, we are learning about the best practices. We are really being able to learn from others. I will give you an example how it played out recently as you know Mr. Chair, the undersecretary and I recently went to Palo Alto to visit their center and to talk actually to congressional staffers about HR 1742. We also visited some of our troops in the dramatic brain injury unit. There was one young person there from Oregon. These people from the Palo Alto Veterans Center said we are not getting the family support for this. He is a National Guard troop and sometimes they don't have the family support network, as they are transferred or discharged out in a hospital somewhere. I immediately got on the phone and called my colleague in Oregon, Jim Willis. He jumped right on it, so those kinds of networking opportunities are I think are very valuable and also bring us a lot of good ideas. I am very delighted that we are very participative in that organization. There are a couple of policies we are ruminating on at the department, and I would like to pass out each of these two policies to each of you. One of these, the first one here is on memorials. As you know there is a Veterans Memorial that's in the Capitol Park and there have been pavers put in there in the past, in memory of veterans. A Memorial commission has been disbanded, they were basically set up to put the memorial in. There is a small residual of money that we maintain to keep the memorial up. That money is basically drying up. I would like to rejuvenate this; this is a real rough draft. It is not an anyways finalized. It is just a concept to rejuvenating an opportunity for pavers again to be placed in that Memorial Park of which

approximately half of the cost would go to the pavers and installation and the other half would go into a fund to be overseen by our department for further outreach services, for either maintenance for the Memorial or outreach services such as stand-down support and other outreach services. We have no budget for that so we are going to develop ways in which we can obtain money from private sources for these kinds of purposes. So this is a rough draft, so we will probably be discussing this again when it is flushed out in our meeting in December sometime, so this gives you an opportunity in advance to look at this. Another one that I'm about to pass out is something that I have discussed briefly with the Allied Council at Yountville, but I have not discussed with the Allied Council here in Chula Vista, nor with the Allied Council at Barstow. One of roles we play is to recover estate money that then comes back from a veteran to the morale welfare recreation fund at each home. We have been very successful with this in fact this year will probably have over \$1 million collected from the estates. There is a cost to the collection process; we have people full-time who are dedicated to working on that collection process. I have discussed it with the Council at Yountville in terms of recouping those cost of collection. They have asked me to give a proposal, and I have sent it to the chair of the Allied Council and we will be discussing it, it's not one of those pork chop hill type issue but it is a issue that we would like to bring on to the table and discussed with them and bring to your attention because probably December sometimes we will have some feedback and some ideas so as to whether or not this is something that is going up to the flag poll to be saluted or to be pulled down. We are discussing it with them right now. The budget, I want to mention, both the undersecretary and I are involved with the Governor's staff have been plainly and forcefully advised about the budget situation this year and next year in California. It is not out of the woods by any means. This year there will still be a budget deficit and if we don't make changes for the fiscal year 2005 2006 there is still expected to be a budget deficit of about 6 to 7 billion dollars. So we are going to have to keep our feet to the fire on working within the budget. Deficiencies used to be automatic, in other words if you went over your budget for whatever reason at the end of the year there was a deficiency notice and there was extra money allocated. Well there is a new sheriff in town. Deficiency notices are not going to be approved, and so we are going to have to work within our budget and it is hard for people in state government to understand that. It is hard for people in our department to understand that. That is something that has made an impression on us lately especially me, because I have been told I will be made personally liable for deficiency notices. That tends to focus one's attention. I will be looking very carefully at our budget for this next year. I think that is all the comments I like to make at this point Mr. Chairman, thank you.

**George Sinopoli:** board members have any questions for the Secretary? Thank you. At this time I like to introduce the board members to my far left from the great city of San Diego Judy Gaze, Dr. Chong from the great city of Lincoln California. From my right Leo Burke from Stockton California. I George Sinopoli from Fresno California on my right set the executive Officer Sandra Munoz. On my left is the legal counsel who tries to keep me out of trouble and is doing a good job, Joe Maguire. At this time I am going to ask the audience to introduce themselves with very short remarks. We'll start with the gentleman in a wheelchair thank you.

**George Sinopoli:** thank you ladies and gentlemen for coming thank you very much. At this time I am going to ask board members to approve or disapprove the minutes September 24th.

*Motion by Leo Burke to approve September 24, 2004, Minutes, seconded by Dr. Chong. Motion passed to approve September 24, 2004 Minutes.*

**George Sinopoli:** The first order of business is status of new veterans homes property transfers, Do you have any comments regarding this Mr. Secretary?

**Secretary Thomas Johnson:** yes I do Mr. chair I did meet with the department of General services this past week, there are two challenges, one was we were negotiating with them on the cost of that transfer and two we were wondering where the funds would come from. We successfully negotiated the cost of that transfer so that it will be less than half of what they originally quoted us. That still leaves us with a bill to be paid because we have no funds for that so we did work with the department of finance and they came up with a creative way. There are a couple of options that they are looking at and one is a loan from the general fund to be repaid once the bonds are issued and that seems to be the best way to do it but we are still on track and everybody knows our goal is to accomplish this before the end of the year and I feel good about the progress we have made.

**George Sinopoli:** Is that all the properties?

**Secretary Thomas Johnson:** I was just speaking specifically to the Redding and Fresno properties.

**George Sinopoli:** okay, thank you.

**George Sinopoli:** review of fire and hazard insurance renewal contract. Who wants to answer that one?

**Secretary Thomas Johnson:** Judy have you been appraised of this, I can see to it but I can see that you have been as well, is that correct?

**Judy Gaze:** yes, there has not been a decision, the decision is still being worked, primarily because of the cedar fires here in San Diego County the CalVet home loan program had a lot of insurance claims due to people losing their homes and losses in excess of 3 million dollars and so the carriers who were insuring the CalVet home loans have some concerns which are being worked out right now and one of them is the low replacement values that are currently assessed to some of the homes and I think this has been in issue all through San Diego County and any area where there has been a disaster. What that means is that people may have their homes insured for a certain amount that when you have a disaster when there is a lot of demand for home builders to replace homes the replacement cost is a lot higher than was initially anticipated and so what the CalVet home loan program is going to go to each home owner using a company who does this for a living and assess the true replacement cost and access if the entire home was lost. The insurance companies are happy and want to do this as well so that they are not left holding the bag in an event of any kind of a disaster so it is a very complicated issue that is not unique to the CalVet home loan program. It is being faced by every insurance carrier at the bottom line is that all the CalVet home loses were insured and we need to be make sure that in the future that they will be adequately insured. We are expecting the cost to go up in the CalVet home loan program as a result of that.

**George Sinopoli:** we have been through this before haven't we in different fires with CalVet, especially in the Oakland fires?

**Judy Gaze:** yes.

**Secretary Thomas Johnson:** I would expand a little on this and I know you have been through this before and I know the escalating home values in California have really spread throughout the state and have made this an even more urgent problem to deal with. We have three layers of insurance and this is the primary layer we're dealing with right now this is affiliated FM insurance company Marsh McClellan is our broker and they work with the primary first layer and a second layer but the primary layer is what we are concerned about right now. The Company that Judy is referring to its called Marshall and Swift and they will do a complete evaluation and it will cost us about \$285,000 for that, but we will also get a

soft ware package that we will have paid for in addition, it will be about \$45,000 which will automatically keep those values up to the replacement cost. If we don't do this we will have a difficult time finding anybody willing who will come in at a primary layer. You would either have to have your houses at a current evaluation or you would not find an insurance company who would be willing to come to the table at all. This is a must do and it will put our program in a better shape but it will do as Judy indicated raise premiums some what to our CalVet home loan holders.

**George Sinopoli:** any comments by board members? Item three says CPR timeline status. When do cabinet members submit their recommendations to the Governor?

**Secretary Thomas Johnson:** the cabinet members, many of them have submitted their recommendations to the Governor. I think original timeline is going to slip a little we have also submitted our recommendations. The timeline now that they are undergoing is pretty much as Sheryl described in her presentation. After 30 days the Governor will submit his re-organization plan to the Legislature so that will be somewhere at the beginning of the November. The little hover commission will issue its report sometime in December. Legislative policy committee's will issue their report probably in January and then something will go to the Senate on an up or down vote sometime in February I would guess. That is basically the timeline that has been established for this process.

**George Sinopoli:** I understand that, thank you, any questions by board members?

**Leo Burke:** Mr. chairman, I certainly appreciate the Secretary's recommendation.

**George Sinopoli:** so do I.

**Roger Brautigan, Undersecretary:** preference points.

**Secretary Thomas Johnson:** the undersecretary makes a good point, the preference points were something that initially were a little hidden from us in terms of the direct impact they would have on veterans but the idea that the Governor has is and I think all of us would want in state government we want to recruit the best people. We should not hold our heads down to private industry in trying to get the best people to work for public service people like Tracy. We want the best and sometimes when you look at the point system veterans were given preference points as they applied for entry-level positions in state government. We believe that they should get preference points, and the initial CPR recommendations that were sent to the Governor suggest that no one should get preference points but we did sent in a request or recommendation that those preference points for veterans be retained, many of our young troops have given up the three or four years of their life, there vocational curriculum is a little behind lets say where their resume might be a little behind but these points would be leveling not a handout there a leveling process so we have recommended that it should stay and I think we'll make good inroads on that.

**George Sinopoli:** thank you Mr. Secretary. Any questions?

**Judy Gaze:** would it do any good for the board to have a resolution or sent a letter or do anything backing up the retention of those veterans' points?

**Secretary Thomas Johnson:** that is a good point Judy, I think that would be a help because a lot fewer people in state government are veterans today and they do not have the appreciation for that leveling process and I think you have articulated it better than I have.

**George Sinopoli:** Judy, I accept a motion asking the board to do that.

**Judy Gaze:** I would like to make motion requesting a letter from the board to a appropriate agency with a statement that we want the veterans preference points maintained for state jobs and Sandra if you find out who it goes to I will help you with some words.

*Motion to write letter regarding the veterans points and seconded by Leo Burke. Motion passed to write letter regarding veteran's preference points.*

**George Sinopoli:** very good motion thank you very much Judy. I am not going to ask for any discussion on this ongoing to ask the executive officer to call the roll. At this time I am going to ask Dr. Chong who has Patrick Ward's appeal to give the board a report.

**Vernon Chong:** I understand that Mr. And Mrs. Ward here.

**George Sinopoli:** yes they are here.

**Vernon Chong:** Mr. Ward filed an appeal based on a denial by the Farm and Home Division of his request to have the interest rate on his home improvement loan decreased to 4.25 percent effective January 2004 and to provide him with disability coverage on his loan. The decision being appealed is as follows: "my position please see exhibit A = a ten-year contract CDVA position, exhibit B. = 15 year proposal. Please see exhibit C. = No. 3 to reinstate life and disability, applicable fact: statement above, action or decision desired: honor my ten year contract including life and disability, type of review or hearing requested: informal." To summarize: Mr. Ward entered into a CalVet purchase home loan contract in 1982 with interest rate at 6.95 percent. In January 2000 he applied for a home improvement loan. In March of 2000 a loan was approved in the amount of \$36,500 at the interest rate of 6.95 for 15 years (180 months). (Home improvement loan interest rates are at the same rate as the original purchase loan as prescribed by the Military and Veterans Code section 988.2.) In August of 2003 Mr. Ward applied for a new home improvement loan with the interest rate being 4.5 percent. During the processing of this application it was discovered that on his original HIL contract stated that the duration of the loan was not to exceed ten years rather than 15 years (180 months). The amount of the loan was \$36,500. During this period of time there was a change in policy with loans up to \$15,000 payable in ten years and loans up to \$50,000 were payable in a 15 years) 180 months). Due to an oversight the contract form was not revised consistent with the policy change. Instead, the property agent was supposed to cross out the "ten" in the contract and to replace it with the "fifteen" (15) years (180 months) with the applicant initialing the change. We have a contract that states that the duration of the loan it will not exceed ten years, however the home improvement loan approval form, dated the same date, March 15, 2000, does state that the loan was for 15 year (180 months) in the amount of \$36,500 with an interest rate of 6.95 percent. Mr. Ward feels that since the department made the error that the contract should not exceed ten years as stated on the contract and that the interest rate on the home improvement loan should be reduced to the current interest rate rather than the interest rate stated on the original purchase loan. He has been informed that by statute, this is not possible since the home improvement loan has to be at the same rate as the original loan. His loan was based on old bonds that were at a high interest rate, somewhere in the neighborhood of 11 percent or 13 percent. Loans at that time were based on that interest rate. He also requested disability insurance for his home improvement loan, since he had full life insurance and disability insurance on his original purchase. He had applied for the life and disability insurance. It is important to note that the CalVet loan program used to be a self-insured program. In 1996 the insurance program was contracted out and the Pacific Life and Annuity Company provided coverage for all existing CalVet loans. Pacific Life granted him life insurance, but did not approve his application for disability insurance. Because of the limited amount of dollars in the CalVet loan program, it is not

possible for an individual to have more than two loans outstanding at any given time. Mr. Ward was not approved for a new loan. However, he was told that if he paid off his original purchase loan or his HIL that a new home improvement loan could be granted at the current interest rate. In addition the law had been changed so that a new HIL would be at current interest rate as established by the Department. Pacific Life and Annuity Company had the contract previously. The Standard Life Insurance Company is the current contractor. Neither the CalVet loan program nor the Department have any authority or influence on the policies those are established by these insurance companies. Mr. Ward had appealed to those companies three times and was not approved for disability coverage following any of these appeals. I called Mr. Ward and discussed his appeal. I have reviewed all available documents. I have discussed this case at length with the Farm and Home division. I have also discussed this appeal with legal counsel. A legal analysis was done in July by CDVA legal counsel concerning the contract as written for ten year instead of the 15 years. Based on the amount of the loan, the duration of the loan and the number of installments required to pay off the loan, the contract should for 15 years as written in the original home improvement loan approval form. The recommended Board action would be non-approval of Mr. Ward's request to honor the ten-year contract including life and disability as requested by Mr. Ward and that Mr. Ward should be notified of the Board's decision for non-approval.

**George Sinopoli:** so you are making a motion to deny the appeal?

**Vernon Chong:** I so move.

**George Sinopoli:** questions by board members?

*Motion to deny appeal by Patrick Ward seconded by Leo Burke.*

**George Sinopoli:** Mr. Ward do you want to say a few words?

**Patrick Ward:** I appreciate the time due to coming here at such a far distance. The thing that got me really going within the last year was I was informed that there was a fifteen year contract that both parties signed and I asked if they could send me a copy, one last thing it was a fifteen year proposal that was initialed by Deborah Oakes but I was told that they would honor the contract as stated in the contract.

**George Sinopoli:** thank you Mr. Ward.

*Motion passed to deny appeal by Patrick Ward.*

**George Sinopoli:** board members please give a short report on your activities?

**Leo Burke:** Thank you Mr. Chairman, I attended the CalVet board meeting September 24 at the VA Medical Center in Los Angeles followed in the afternoon by a town hall meeting. I also attended the CPR hearing September 27. The CPR hearing was held at 10:00 a.m. until 6 pm. at the UC Davis pavilion on UC Davis campus.

**Judy Gaze:** I as well attended the CalVet board meeting in Los Angeles and the town hall. Last Saturday I had the honor to escort Secretary Johnson to the sea and air parade here in San Diego. It was a great honor to meet a lot of folks that were veterans and on active duty in San Diego participating in Fleet week.

**Vernon Chong:** Yes, Mr. Chairman, I also attended the board meeting in West Los Angeles. That was a good meeting from the standpoint that I have been on the West Los Angeles campus before during my

career with the VA and I was able to see some people that I had known there. In the interim I did review the case that is presented today. Other than that I have been busy doing retirement things.

**George Sinopoli:** let me tell you if one member did not attend a board meeting there would not be a quorum if one of us did not attend, Mr. Secretary we need board members. We are personal appointees of the Governor we just don't volunteer out of the audience. It has to come out of the Governor's office, but we are going to ask the Secretary to work really hard to open that door to get a board member as soon as possible.

**Roger Brautigan:** I can tell you that we are aware of the situation and I can tell you that the appointment staff is working on and are close to appointing additional members. It's a slow process and I know it is agonizing but I can assure you that we are continually checking with the appointment staff to the Governor to try to push this to make a final decision but it does take time for them to do their background check and all the other things that they do to make sure to appointment the right person who will not embarrass the Governor, or the board, or the veterans.

**George Sinopoli:** correct. In a little while we are going to have public comments so if some of you want to speak please go to the table and give us a notice that you want to speak. California veterans home Deputy Secretary Bill Parente, Bill?

**Deputy Secretary William Parente:** thank you, I apologize for my back being to the audience I will address the board. I will share some of the significant events for the homes. Starting October 1st the Chula Vista pharmacy is operational excuse me with the assistance of the Chula Vista pharmacy in Barstow pharmacy is operational to fill prescriptions for the Barstow domiciliary residence. The census at Barstow as of the fourth of October was 145 on Friday September 24<sup>th</sup>. The Barstow veterans support group presented the Barstow home administrator Mr. Koff with the check of \$13,536.65. That was payable for the purchase of seven automated defibrillators the machines that revive a stopped heart and they are self-guided. They will be placed throughout the home just in case they are needed. Barstow continues its support troop effort by organizing packages, sort of like the care package program. Packages including personal items, sheets, socks, cookies etc. to be sent to our men and women in Iraq and in our home in Chula Vista are also participating in that program. With regard to the home in Chula Vista it is expected sometime this month that the census will reach 360 and this would put us at 90 percent occupancy. The greatest challenge in Chula Vista continued improvement of retention of staff and while we made some recent successes in nurses there continues to be a number of key positions that we have to work very hard to improve, the census at Chula Vista on the fourth of October 352. As board member gaze already remarked that Fleet week activities have already started on the first weekend of the month on October 13<sup>th</sup>. Mr. Paul Flores the district representative from State Sen. Ducheny office will visit the veterans home for lunch and a tour and on Friday the fifteen. The Fleet week foundation will host an event on the U. S. S. Midway to honor members of the Legion of honor, to be a member of the Legion of Valor one must hold a medal of honor and a service cross from either the Army, Navy, Air Force or Coast Guard, Marines who qualify receive a Navy cross, with regard to our home in Yountville the two major construction projects continue, the Lincoln Theatre remodel is a bit behind the original schedule that is planned to open for Jan. 6, 2005. What is referred to the annex one remodel continues to be on schedule with demolition underway and the result of this project will be the creation of a unit for veterans' residence who suffer from dementia. Their census as of the first week of October at Yountville was 1071 and however Yountville continues to have a rather long waiting list of 511. And finally this very day October the 8<sup>th</sup> the Petaluma Elks lodge is hosting a dinner for the residence of the veterans' home at the Elks Lodge. Are there any questions?

**George Sinopoli:** thank you Bill very much, good report.



**Deputy Secretary William Parente:** thank you.

**George Sinopoli:** Judy do you have anything on farm and home?

**Judy Gaze:** before we go to farm and home our next meeting is scheduled for Yountville December and I think it would be really worthwhile especially with some new members to have a tour of some of the new projects and the things that are in conjunction with our visit there. The farm and home purchases and month of September there were 113 loans funded for over 27.2 million this is down to about 32 percent from the prior month August and the reason for that is that conventional loan rates in California are fluctuating so much and that they have dipped down and that the CalVet home loan program rates we're looking at them but we are concerned as well about the money that is used to fund these loans are from bonds that were lend from the state of California and those bonds were lend several years ago when the rates were higher and so we have to watch the cash flow to make sure we are not using up our war access money we have to find a balance between allowing loans for younger veterans as well as keeping the interest rate at competitive rate and so that is always been evaluated. I understand we're not going to change the rate because in the last week Fannie Mae has gone up so that is good news. As of September 30th there were 18,000 loans in the portfolio totaling 1.56 billion dollars it was the slight deduction in the number of loans but the portfolio value has increased by 668,000 so I think that is owing to the higher cost of housing in California now. It means our services are needed and being used by veterans and I think efforts are still being made and I would solicit support from anybody in the audience for H. R. 1742 in the federal government which is a bill that would allow the state of California to lend municipal bonds to raise more money for CalVet home loans and allow those loans to be given for current veterans because right now the law says you have to have served before the year 1977 in order to get to the lowest interest rate and we think that the current veterans deserve the lowest interest rate, so the name of that bill is H. R. 1742 and it is currently in a house of representatives.

**George Sinopoli:** thank you Judy, any questions from anybody? Congressman Bill Thomas currently holds the bill that she's talking about from Bakersfield we need to get on his back and get that bill off his desk or the CalVet loan program will have a problem. Dr. Chong?

**Vernon Chong:** Yes, Mr. Chairman, I had the opportunity to tour the Veterans home here at Chula Vista yesterday and have completed my orientation as far as the homes are concerned. I had a very nice visit here yesterday afternoon and had a chance to meet many of the veterans that live here as well as staff. I want to say the same thing that you said earlier to Mr. Murray, that his staff looks very happy and the veterans look happy and the place looks great. It's been my experience by being in so many hospital that you can walk into a facility and can get a sense of what the facility is like in the first few minutes by looking at the faces of the employees and the patients. You get a sense that things are right. It looks great here and that is probably true of all of our Veterans homes. I know that Mr. Koff from Barstow is here and it is the same in Yountville. Mr. Koff and Marcella McCormack are doing a great job. I am pleased to be on the veteran services and the veteran homes committees. We have a Policies and Procedures Committee planned for November at which we will be addressing several policies.

**George Sinopoli:** do some other policies have to be changed?

**Vernon Chong:** Some other policies may be deleted, but some of that action has already been taken.

**Secretary Thomas Johnson:** Dr. Chong have you received any comments from our department yet on the policies? Because I think we were asked to weigh in on comments and I don't know if they have already been transmitted to you or not.

**Vernon Chong:** not yet.

**Secretary Thomas Johnson:** I will make sure they get transmitted to you.

**George Sinopoli:** pertaining to the comments and complements Dr. Chong about the homes he forgot one person in particular you got to complement the chief he does one hell of a job.

**Norma:** and the volunteers.

**George Sinopoli:** I'm sorry I have a volunteer at home who has done it 51 years and I am sure.

**Norma:** and you know I know everyone of those 51 years.

**George Sinopoli:** thank you.

**Vernon Chong:** one thing is true whether it is at veteran's home or many of our military hospitals. I am familiar with military hospitals and I know for sure they would not run very well without volunteers. Those of you who volunteer are greatly appreciated by the patients and staff. Volunteerism is very important, especially in the medical field, so thank you.

**George Sinopoli:** I live with a volunteer who has done it for over 50 some odd years and she won't give up, anything else on policy and procedures?

**Vernon Chong:** no sir.

**Leo Burke:** thank you Mr. chairman, this is the legislative report for October 8, 2004 and of course the most important legislation passed AB 1077 this is a veteran's home bill amended on August 26 2004. This bill will provide an additional 100 million in lease revenue bonds to fund the state portion of the cost for acquiring designing and equipping the veterans home. The assembly and Senate recessed from September 31st through Dec. 6<sup>th</sup> I have a copy of the veterans bill list for the legislative session 2003 2004 this consists of 31 Senate measures and 40 Assembly measures and I would like to thank Deputy Secretary Robert Glazier for providing the legislative update of the department, these updates cover 17 assembly measures and 7 senate measures the CalVet board has taken a position on 27 measures. If anyone wishes an update on these bills I have them please see me after this meeting, thank you Mr. chairman.

**George Sinopoli:** thank you Mr. Burke any comments by board members? Audience, do you have any comments? Yes, what are your comments?

**Don Lake, audience:** I believe Mr. Burke mistakenly reported, that is AB 1077.

**George Sinopoli:** contracts, I am the chairman of that; we don't have any right now to be considered. Recognition and awards I do that periodically. Please contact me with names and information; we like to recognize those individuals. The gentleman who keeps us out of trouble and takes care of the legal matters for the Department of Veterans Affairs, Mr. Joe Maguire.

**Joe Maguire:** at the end of September the department had 76 legal cases there were nine citations from the department of health services there were two insurance cases there were 23 cases in litigation there were 10 legal opinions and process of doing we had 13 personnel actions six miscellaneous projects one

public record act request one quiet title litigation action four motions from relief of automatic stay in the process and 7 lawful detainers, so that is the work that we had at the end of September. We get about four five or six cases per attorney in per month and we close out about the same amount of cases per month. The legal work is coming down some what the litigation has stayed about the same though which is the majority of the work, thank you.

**George Sinopoli:** thank you Mr. Maguire. We heard comments today about Palo Alto I feel very strong that this board should attend and conduct a meeting in Palo Alto to talk to those veterans and I know that we have nothing scheduled for November and I know it is a tight month because we have a lot of things to do in November, parades and places to go but still my heart is in Palo Alto, I want to hear from the board members. It is too soon to have another board meeting in Palo Alto?

**Judy Gaze:** it depends on the date.

**George Sinopoli:** I agree with you. I will look for a date on our calendar and I will contact you through the office of the executive officer pertaining to the dates.

**Leo Burke:** Mr. Chairman I like the board to consider Ventura some time next year.

**George Sinopoli:** Sandra please put Ventura and Palo Alto and any other place the people like us to attend. Right now we will have public comments and right now we only have one person who has ask to speak but I will accept other speakers. We've been generous this time we're going to go five minutes

**Don Lake:** my name is Don Lake as I mentioned earlier but I did not have time to mention it is funny for the last year I've also become the San Diego County chairman of the reformed party and we have veterans investigation committees forming at various states also within the last year veterans party.us has formed and they are trying to get nationwide status as a valid access party. I originally came here hoping to come with John Coffey from Barstow and the local challenger to the local congressman and I wanted to say certain things about the board and the patient representative on the board be aware before the citizens for better veterans homes before independent upstart nontraditional veterans group the department head sat on the board, that is the whole thing called organizational incest, that is no longer true right now we also have one of the residents from the home on the board or the slot there of like the ombudsmen like the inspector general the slot is not held at this time I briefly talked to Bill Jackson of Barstow and I hope that the next veteran representative from the homes on the board would not be a shield would not be a yes man. Here locally we had a situation where the two candidates for the mayor and established mayor and the County Councilman are being seriously challenged by a women who is the one by a seven one votes this board is consistently zero opposition I hope we get somebody whether it is me whether it is somebody else who is truly independent and doesn't just go with the flow. I had some other things to say but I have been site tracked by the proceedings for example with the appeals here from the Bakersfield area I had gone ahead and had an appeal. It was a five-hour slot and the person who was challenging me his boss was right here and is right up here on the dais and they got to go ahead and examine their witnesses in a five-hour thing with a two drawer cabinets with my green note book from the original notebook with the original citations I had in Barstow. It was shut off at an hour and twenty minutes, this is not the United States of America! This is Saddam Hussein this is Hitler this is Stalin!

**Bill Jackson:** for the record I am Bill Jackson from Barstow I have not had any conversations with the gentleman who have just spoke here. Yesterday as I watched C-SPAN the hearings that they are having about the protest regarding the hearings that CPR was absolutely amazing. A distinguished gentleman was asked how they got their information, he said they sent out e-mails all over the country and when

they came back we put them in the piles, very scientific, very cost effective. At no time did they mention how much the CPR study cost but I found out where the comment came, we had 1800 answers which came from people who sent in e-mails. I agree with the American legion and at the VFW. We have encouraged the AMVETS to go after the Governor and tell him this is a very different ball game and the board serves and reflects the thinking of the veterans and they go and see what veterans want. I strongly disagree with the CPR recommendation thank you.

**George Sinopoli:** Charlie?

**Charlie Waters:** Mr. Chairman, Mr. Secretary and my fellow marine I don't think this is the place to exercise political activity. I do believe this is a veteran meeting it has nothing to do with outside parties or politics we can raise all the cane we want within parties or in forums like we have in Fresno. Thank you Mr. Secretary for making those comments in backing up the board. Thank you board but we have to tell this Governor that if it's going exist it needs to have a full board but I understand if one board member is gone you could not hold a meeting so what good is this board you've got to have this board filled up. I think CPR got the word that we want the board for balance and control. We may not always have the Secretary that we have today who is working for and with the veterans, we might have a tyrant and I can tell you if we end up with a tyrant the veterans will rise up with wrath. Veterans are veterans are veterans. This board is doing a good job and the veterans are happy the veterans are happy with you Mr. Secretary and Undersecretary and we truly appreciate that you are with us and we hope the conversation that you had with us at the beginning that the Governor met with you seriously and said money is tight. I hope that is not precluding to our veterans homes that we are going to be more delayed with our homes. I know you will do to prudent thing and will tell us when that time comes so we can be prepared and we will keep it on top of the table. We've been keeping it that way and I think it will go really smooth. You also mention something Mr. Secretary that was very important sir in the military code you brought it up Ms. Gaze, veterans working at the VA, it is very important. The other thing I am going to put it in writing, I don't have the full research done on it yet regarding the taxes and health permits on veteran halls. I will do research and submitted it in the proper fashion with something I am familiar with. Suggestion, I talked about this to Mrs. Gaze at the incredible graduation, didn't that make you feel good, this is the youth of America, we went to a Marine Corps graduation this morning it was incredible. It would be a good idea when the veterans come back from active duty to have a welcome home package sent from VA. I had to comment our Governor Schwarzenegger does not hate veterans we are "A" political here, we are veterans we are all veterans here, thank you.

**George Sinopoli:** thank you Charlie.

**Secretary Thomas Johnson:** could I make some comments Mr. chairman? Let me go to the microphone, I would like to make a few comments Mr. chair first I want to thank you first for the letter in supporting that GLAVC project, I think all the letters that we get back to Secretary Principi and our congressional delegates, to what ever channels we have for the GLAVC project is very important so I appreciate that letter. Second I would like to thank the residents and the staff for the warm welcome that we had here today. I appreciate this home and I attended their fourth anniversary celebration earlier this year and it is amazing to see this beautiful facility and the veterans here and the staff, I really do appreciate them. I do appreciate Judy, what Mr. Waters talked about that she arranged for all of the events we attended today the color ceremony at the very beginning, the graduation for the new recruits and she escorted us. We had a wonderful event here at Fleet week. We were here last week and I want to thank you. I do think I owe an apology to you though because I don't think from the remarks that Bill Jackson gave. I thought we had good education on CPR. California does not run very well in state government, we are one of the highest cost states to get anything done whether it is to buy a bottle of aspirin, hire some nurses or cleaning a building. California is a very high cost state; nothing has been

done to reorganize the state government since Ronald Reagan, many, many years and decades ago, unless we do something to improve the operation of state government. We will not be able to carry out in our department who serves veterans the way we want to. The many ways we want to bring the needs that Yountville has and they have a unlimited list of opportunity to improve that home, but we have to operate more efficiently in California state government and talking to Dan Murray today about hiring personnel and the steps that you have to go through and the difficulties of trying to bring somebody on board right away that needs to be hired for the care responsibilities of our veterans. Trying to get a single source contract when there is no other supplier, when it could be a training need like training the staff on how to use hands on demonstration fire hydrant's or it might be a special bed for circulation or whatever it is the process is enormously, difficult, expensive and complicated. The e-mails that Mr. Jackson mention were coming from staff, staff sending in suggestions, saying "this is a better way of doing it, here is a better way of streamlining government, here is a way to reduce costs". That is a part of the CPR process. California department of Veterans Affairs is part of that. We are part of state government so the CPR process is an attempt to try to make California a better state to be a more efficient state and I hope it produces some results. It is obvious that some people's personal oxes that are being gored and whatever it is it will be difficult to get a package through and try to do something differently will bog it down. I'll give you one other example, were looking at the home in Fresno, and were looking at the home potentially in Redding. Wouldn't it be great that we could design and build and were able to do it with more efficiently, effectively. The U.S. department of Veterans Affairs can do it, private industry can do, it but we can't do it. In the state of California a good example, Mather Air Force Base, where they build a new VA hospital on budget, on time, a beautiful facility and at less costs that we could do in the state of California. The department of general services our colleague, we are supporting them and they are getting part of that CPR process, alternative construction projects, so this is all part of CPR. It is not something to say that it is a narrow interest or it's a partisan interest or to say it is a frivolous interest, it is very important to the state of California that we do things more efficiently and we'll run a better state. We urge your openness about it, that's all thank you.

**George Sinopoli:** the volunteer do you want to say a few words?

**Norma:** One of the greatest investments in any job of a volunteer is that the employer, we do become employees, we do what you want done so we volunteer, there is much investment that you have in that volunteer. I have done it for many many years and I also know as a newborn baby I did not know I had some problems and it was the veterans who got together because my dad is also a veteran who received wounds in World War I, so I grew up in the VA system. I was a worker for many years and as I got older I became a volunteer, I have continued this all of my life. That is important and don't sell the volunteer's short, that is my Number one concern, my other concern right now, it has to do with the California Veterans Board and I do concur with this prior speaker and I want to do what I can to help, so just keep us informed and we will do the work.

**John Smith:** I just want to follow up by saying with the enormous help of volunteers, first I want to thank Norma for her volunteering actually Norma volunteered even before they built the Chula Vista veterans home she was recruiting volunteers even before we had ground breaking she has been on-board forever. I just want to point out that our volunteers here at the veterans home represents 25 full-time employees that is the number of volunteer hours and staff that we have, 25 full-time employees, I just want to make sure you were aware of that, thank you.

**George Sinopoli:** are there any other comments from the audience?

**Secretary Thomas Johnson:** one more comment Mr. Chairman, the welcome home letter that Mr. Waters mentioned we have a project going on right now, you are absolutely right and we need to

rejuvenate that, we are working with the USDVA to get information from them. Dr. Chong there is a wonderful veterans group out in Lincoln about 200 strong that meet out there at Sun City Lincoln who have agreed with working with us in stuffing of envelopes and sending them out so you are right-on thinking and we are moving ahead with it.

**George Sinopoli:** Mr. Secretary I apologize for not mentioning because that is a tremendous program, we got to welcome these young people back and tell them what we have to offer them and what they need, thank you Mr. Secretary for bringing this back up. Any other comments, okay.

**Bill O'Connor Chairman Allied Council Barstow:** you know I have heard some great and wonderful things here and the board as far as I am concerned does a great job and I hope they will continued. However we were supposed to have a member on the board since Jan. the 15th by law and I realize the Governor is busy and this is low priority as far as the homes go, but we have two of the members here today they were also at West Los Angeles and they are very interested. We have to see a member of our home on the board because you need him, please can you push this as hard as you can we want a voice on this board because we have problems, Barstow has more problems, but we really like to have somebody on the board. Secondly you know we have talked about these soldiers coming back from Iraq and Afghanistan, giving them a package of what they can or cannot do is good but there are a lot of them who need medical help. One way or another and we have over 200 empty beds, 200 empty beds! It is very disheartening to go by those empty beds and to look at them. What is happening now is they are cannibalizing the two areas for parts. We need to get it going when and if and I know it will be a difficult thing. Two things, the one thing is to get a member of the board so that he can bring our message to you every time you have a meeting and to some how do something with those empty beds. I don't know what exactly the plans are but I have heard that there is a federal thing that might be worked out for where you could get federal help with this because the state does not have the money. Something has got to be done. George I got to tell you it is very disheartening, thank you.

**George Sinopoli:** I understand, thank you, any other comments? Hearing none I adjourn this California veterans Board meeting.

#### **FUTURE MEETING DATES AND LOCATIONS:**

All meetings take place on Friday unless notified.

Next board meeting December 3, 2004, Yountville

Yearly schedule is posted on web site: [www.cdva.ca.gov/board](http://www.cdva.ca.gov/board)

#### **CLOSED SESSION** (if necessary or required)

The general reason or reasons for a closed session, and the specific statutory authority therefore, are (1) to consider the appointment or employment of a public employee under the authority of Section 11126(a) of the Government Code; and (2) to confer with or receive advice from the Board's legal counsel regarding pending litigation under the authority of Section 11126(E)(2)(A), (2)(B), and (3) of the Government Code.

- There being no further business to discuss the meeting was adjourned at 3:30 p.m.
- These minutes are only a summary of the proceeding portions are reported here verbatim.
- These minutes are posted to the California Department of Veterans Affairs on-line website at [www.cdva.ca.gov/board](http://www.cdva.ca.gov/board)

**ADJOURNED at 3:30 p.m.**